



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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In re application of:

Gabriel N. Issa

Serial No.: 09/373,141

Filed: August 12, 1999

For: METHOD, SYSTEM AND COMPUTER SITE
FOR CONDUCTING AN ONLINE AUCTION

Group Art Unit: 3628

Examiner: Kanof, Pedro R.

Attorney Docket No.: ISSA 0101 PUS

APPEAL BRIEF

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This is an appeal brief from the final rejection of claims 1-63 of the Office Action dated March 25, 2003. This application was filed on August 12, 1999.

I. REAL PARTY IN INTEREST


The real party in interest is Gabriel N. Issa, LLC, a corporation organized and existing under the laws of the state of Michigan, and having a place of business at 3250 West Big Beaver, Suite 120, Troy, Michigan 48084, as set forth in the assignment recorded in the U.S. Patent and Trademark Office on August 12, 1999 at Reel 010173/Frame 0152.

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II. RELATED APPEALS AND INTERFERENCES

Concurrent with the present appeal, an appeal has been filed to U.S. application no. 09/373,143, filed August 12, 1999 and titled "METHOD AND COMPUTER SITE FOR CLEARING TRANSACTIONS" which is under final rejection issued by the same Examiner as the present application.

III. STATUS OF CLAIMS

Claims 1-63 are pending in this application. Claims 1-63 have been rejected and are the subject of this appeal.

IV. STATUS OF AMENDMENTS

An amendment to the non-final rejection dated September 13, 2002 was filed on December 6, 2002, and has been accepted for entry. There are no amendments pending in the present application.

V. SUMMARY OF THE INVENTION

In a first embodiment, the present invention provides a method for conducting an online auction of a monetary amount for a specified category of items, the method comprising receiving at a computer site at least one bid having a discount rate for the specified category of items being auctioned from a plurality of sellers registered to participate in the auction, receiving at the computer site a commitment to buy within the specified category of items at a minimum discount rate from at least one buyer registered to participate in the auction, and declaring at least one successful seller of the value amount for the specified category of items based on the bid from the successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate and best meeting the buyer's

individual conditions. (See, for example, Figures 2(a-b), 4 and 6, and the specification on page 18, l. 3 through page 20, l. 24).

In a second embodiment, the present invention provides a computer site for conducting an online auction of a monetary amount for a specified category of items, the computer site comprising a set of related documents and associated files and a server for serving up the set of related documents and associated files to a plurality of I/O devices to provide buyers and sellers with capability to participate in the auction, the server being programmed with application software to receive at least one bid having a discount rate for the specified category of items being auctioned from a plurality of sellers registered to participate in the auction, receive a commitment to buy undiscounted value amount within the specified category of items at a minimum discount rate from at least one buyer registered to participate in the auction, and declare a successful seller of the value amount for the specified category of items based on a bid from the successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate and best meeting the buyer's individual conditions. (See, for example, Figures 1, 5 and 7, and the specification on page 16, l. 13 through page 20, l. 24).

In a third embodiment, the present invention provides a computer-implemented auction system for negotiating discount credits between sellers offering at least one pre-defined category of goods or service items and buyers wishing to purchase goods or service items selected from said category, comprising an auction system having an auction engine that presents a first interface for access by buyers in communicating willingness to purchase items selected from a pre-defined category at a negotiated category discount and a second interface for access by sellers in communicating willingness to offer items selected from the pre-defined category, the first interface including a commitment amount field through which each buyer communicates the amount that buyer will commit to spend and a requested discount field through which each buyer communicates the smallest discount that buyer will accept, a data storage associated with the auction engine for storing the identity of buyers who have

communicated willingness to purchase items from the pre-defined category, and for storing bid data indicative of the commitment amount and requested discount communicated by each buyer, the auction system further having a compilation system that analyzes the bid data to present information to sellers through the second interface indicative of the aggregate commitment amounts associated with different requested discounts, the second interface having a discount offer field through which each seller communicates the discount that seller is willing to offer, a commitment system having a mechanism for terminating negotiation in response to a pre-defined criterion and for identifying a selected seller that has offered the greatest discount during the negotiation, the commitment system communicating with the auction system to generate a discount record for at least a portion of the buyers identified in the data storage, each discount record including the identity of the buyer and seller, the pre-defined category on which the buyer negotiated and data indicative of the commitment amount and the discount offered by the selected seller. (See, for example, Figures 1, 5 and 7, and the specification on page 16, l. 13 through page 20, l. 24).

VI. ISSUES

Claims 1-63 were rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,260,024 to Shkedy (hereinafter Shkedy). The issue on appeal is whether the Examiner properly rejected claims 1-63 as being anticipated by Shkedy.

VII. GROUPING OF CLAIMS

Applicant contends that the claims do not stand or fall together. In particular, Applicant contends the claims may be grouped as follows:

1. Claims 1- 31 (Group 1) stand or fall together.
2. Claims 32-62 (Group 2) stand or fall together.

3. Claim 63 (Group 3) stands alone.

As is argued in detail below, Groups 1-3 are independently patentable. In particular, the claims in each of the Groups provide limitations that are separately patentable over the cited art from the other Groups.

VIII. ARGUMENT

The Examiner improperly rejected claims 1-63 under 35 U.S.C. § 102(e) as being anticipated by Shkedy

The Examiner has rejected claims 1-63 under 35 U.S.C. § 102(e) as being anticipated by Shkedy. However, the Examiner has failed to establish anticipation under 35 U.S.C. § 102(e) and the rejection should, therefore, be reversed. In that regard, “A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” (Manual of Patent Examining Procedure (MPEP), 8th Edition, August 2001, revised February 2003, § 2131 (citing *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987))). Furthermore, “The identical invention must be shown in as complete detail as is contained in the ... claim.” (MPEP, § 2131, citing *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989)).

**A. The Examiner improperly rejected Group 1 (claims 1-31)
as being anticipated by Shkedy**

Claim 1 provides, in particular, a method for conducting an online auction of a monetary amount for a specified category of items, the method comprising declaring at least one successful seller of the value amount for the specified category of items based on the bid from the successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate.

The Examiner asserts that Shkedy “discloses a computer site and a method for conducting an online auction of a monetary amount for a specified category of items.” (Office Action mailed March 25, 2003 on page 2, ll. 15-16). However, the Examiner fails to provide any evidence to support the asserted characterization of Shkedy. Furthermore, the Examiner has mischaracterized Shkedy. Contrary to the Examiner’s assertion, Shkedy discloses a global bilateral buyer-driven system where buyers select a particular item or service or a second or substitute item in addition to the primary item choice. (Shkedy, col. 5, ll. 10-11 and col. 7, ll. 59-61. See, also, Shkedy, col. 15, ll. 42-57). Shkedy is directed to a particular item or service or a substitute, not a specified category of items, and, in fact, teaches away from such an auction. Therefore, the Examiner has failed to establish that presently pending claim 1 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.

Furthermore, the Examiner asserts that Shkedy discloses “declaring at least one successful seller of the value amount for the specified category of items based on the bid from the successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate. ([Shkedy], col. 7, lines 21-25 and col. 9, lines 3-35).” (Office Action mailed March 25, 2003 on page 3, ll. 4-7). However, the Examiner has mischaracterized Shkedy. Contrary to the Examiner’s assertion, Shkedy provides “In one embodiment of the present invention buyers could indicate a minimum discount off the maximum offer price provided by the central controller 200 that a buyer would be willing to accept. The seller

would then be notified of a maximum price he had to beat in order to bid.” (Shkedy, col. 7, lines 21-25). The seller is only notified of a price he or she has to beat, not a discount rate, and, in fact, teaches away from such a step. Therefore, the Examiner has failed to establish that presently pending claim 1 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.

Regarding the claims of Group 1 which depend from claim 1, Applicant contends that these claims are patentable for at least the same reasons that claim 1 is patentable. Moreover, Applicant contends that these claims recite further limitations, in addition to the limitations of claim 1, which render these claims additionally patentable.

**B. The Examiner improperly rejected Group 2 (claims 32-62)
as being anticipated by Shkedy**

Claim 32 provides, in particular, a computer site for conducting an online auction of a monetary amount for a specified category of items, the computer site comprising a server for serving up a set of related documents and associated files to a plurality of I/O devices to declare a successful seller of the value amount for the specified category of items based on a bid from a successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate.

The Examiner asserts that Shkedy “discloses a computer site and a method for conducting an online auction of a monetary amount for a specified category of items.” (Office Action mailed March 25, 2003 on page 2, ll. 15-16). However, the Examiner fails to provide any evidence to support the asserted characterization of Shkedy. Furthermore, the Examiner has mischaracterized Shkedy. Shkedy fails to disclose, teach or suggest a computer site for conducting an online auction of a monetary amount for a specified category of items as presently claimed. To the contrary, Shkedy discloses a global bilateral buyer-driven system where buyers select a particular item or service or a second or substitute item in addition to

the primary item choice. (Shkedy, col. 5, ll. 10-11 and col. 7, ll. 59-61. See, also, Shkedy, col. 15, ll. 42-57). As such, Shkedy fails to disclose a computer site for conducting an online auction of a monetary amount for a specified category of items, and, in fact, teaches away from such an auction. Therefore, the Examiner has failed to establish that presently pending claim 32 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.

Furthermore, the Examiner asserts that Shkedy discloses “declaring at least one successful seller of the value amount for the specified category of items based on the bid from the successful seller or sellers having the greatest discount rate greater than or equal to the minimum discount rate. ([Shkedy], col. 7, lines 21-25 and col. 9, lines 3-35).” (Office Action mailed March 25, 2003 on page 3, ll. 4-7). However, the Examiner has mischaracterized Shkedy. Contrary to the Examiner’s assertion, Shkedy provides “In one embodiment of the present invention buyers could indicate a minimum discount off the maximum offer price provided by the central controller 200 that a buyer would be willing to accept. The seller would then be notified of a maximum price he had to beat in order to bid.” (Shkedy, col. 7, lines 21-25). The seller is only notified of a price he or she has to beat, not a discount rate, and, in fact, teaches away from such a computer site and server. Therefore, the Examiner has failed to establish that presently pending claim 32 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.

Regarding the claims of Group 2 which depend from claim 32, Applicant contends that these claims are patentable for at least the same reasons that claim 32 is patentable. Moreover, Applicant contends that these claims recite further limitations, in addition to the limitations of claim 32, which render these claims additionally patentable.

**C. The Examiner improperly rejected Group 3 (claim 63)
as being anticipated by Shkedy**

Claim 63 provides, in particular, a computer-implemented auction system for negotiating discount credits between sellers offering at least one pre-defined category of goods or service items and buyers wishing to purchase goods or service items selected from said category, the system comprising an auction system having a commitment system having a mechanism for terminating negotiation in response to a pre-defined criterion and for identifying a selected seller that has offered the greatest discount during the negotiation.

The Examiner asserts that Shkedy “discloses a a computer-implemented auction system for negotiating discount credits between sellers offering at least one pre-defined category of goods or service items and buyers wishing to purchase goods or service items selected from said category.” (Office Action mailed March 25, 2003 on page 8, l. 18 through page 9, l. 2). However, the Examiner fails to provide any evidence to support the asserted characterization of Shkedy. Furthermore, the Examiner has mischaracterized Shkedy. Contrary to the Examiner’s assertion, Shkedy discloses a global bilateral buyer-driven system where buyers select a particular item or service or a second or substitute item in addition to the primary item choice. (Shkedy, col. 5, ll. 10-11 and col. 7, ll. 59-61. See, also, Shkedy, col. 15, ll. 42-57). Shkedy is directed to a particular item or service or a substitute, not a specified category of items, and, in fact, teaches away from such a system. Therefore, the Examiner has failed to establish that presently pending claim 63 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.

Furthermore, the Examiner asserts that Shkedy discloses “a commitment system having a mechanism for terminating negotiation in response to a pre-defined criterion and for identifying a selected seller that has offered the greatest discount during the negotiation. ([Shkedy], col. 12, line 10-col. 13, line 6, col. 23, line 53-col. 24, line 45, and col. 13, line 45-col. 14, line 25).” (Office Action mailed March 25, 2003 on page 10, ll. 4-7). However,

the Examiner has mischaracterized Shkedy. The sections of Shkedy cited by the Examiner concern system hardware. Nowhere do the sections of Shkedy cited by the Examiner provide for terminating negotiation in response to a pre-defined criterion and for identifying a selected seller that has offered the greatest discount during the negotiation as presently claimed. To the contrary, Shkedy provides "In one embodiment of the present invention buyers could indicate a minimum discount off the maximum offer price provided by the central controller 200 that a buyer would be willing to accept. The seller would then be notified of a maximum price he had to beat in order to bid." (Shkedy, col. 7, lines 21-25)

As such, Shkedy fails to disclose a commitment system having a mechanism for terminating negotiation in response to a pre-defined criterion and for identifying a selected seller that has offered the greatest discount during the negotiation, and, in fact, teaches away from such a system. Therefore, the Examiner has failed to establish that presently pending claim 63 is anticipated by Shkedy, and the rejection under 35 U.S.C. § 102 should be reversed.


IX. CONCLUSION

The Examiner rejected claims 1-63 under 35 U.S.C. § 102(e) as being anticipated by Shkedy. However, the Examiner has failed to establish anticipation under 35 U.S.C. § 102(e). In particular, Shkedy fails to teach or suggest all the elements of presently pending independent claims 1, 32 and 63. The Examiner has failed to provide evidence that Shkedy discloses a method or a computer site for conducting an online auction of a monetary amount for a specified category of items. Furthermore, the Examiner has failed to provide evidence that Shkedy discloses a method or computer site for receiving a bid having a discount rate and declaring at least one successful seller based on the bid having the greatest discount rate. In fact, Shkedy teaches away from such a method or computer site. Therefore, the final rejection of claims 1-63 should be reversed.

The fee of \$160 as applicable under the provisions of 37 C.F.R. § 1.17(c) is enclosed. Please charge any additional fee or credit any overpayment in connection with this filing to our Deposit Account No. 02-3978. A duplicate of this notice is enclosed for this purpose.

Respectfully submitted,

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Enclosure - Appendix

X. APPENDIX - CLAIMS ON APPEAL

1 1. A method for conducting an online auction of a monetary amount for a
2 specified category of items, the method comprising:

3 receiving at a computer site at least one bid having a discount rate for the
4 specified category of items being auctioned from a plurality of sellers registered to participate
5 in the auction;

6 receiving at the computer site a commitment to buy within the specified category
7 of items at a minimum discount rate from at least one buyer registered to participate in the
8 auction; and

9 declaring at least one successful seller of the value amount for the specified
10 category of items based on the bid from the successful seller or sellers having the greatest
11 discount rate greater than or equal to the minimum discount rate and best meeting the buyer's
12 individual conditions.

1 2. The method as claimed in claim 1 wherein a commitment to buy an
2 undiscounted value amount at a minimum discount rate is received from each of a plurality of
3 buyers and wherein the method further comprises pooling the plurality of buyers to obtain
4 various pooled award amounts and wherein the at least one successful seller is declared of his
5 respective pooled award amount for the specified category of items.

1 3. The method as claimed in claim 1 wherein the items are products.

1 4. The method as claimed in claim 1 wherein the items are services.

1 5. The method as claimed in claim 2 wherein the plurality of buyers are
2 independent and/or unrelated.

1 6. The method as claimed in claim 2 further comprising receiving at the
2 computer site information representing a minimum award amount or predefined sequence of
3 minimum award amounts corresponding to a predefined sequence of discount bids that each
4 seller is willing to accept from the pooled buyers for a given category.

1 7. The method as claimed in claim 2 further comprising receiving at the
2 computer site information representing a maximum award amount that a seller is capable of
3 accepting and willing to accept from the pooled buyers.

1 8. The method as claimed in claim 1 further comprising receiving at the
2 computer site information representing a method of guaranteeing the value amount from the
3 at least one buyer.

1 9. The method as claimed in claim 1 wherein at least one seller is pre-
2 approved to sell the specified category of items.

1 10. The method as claimed in claim 1 further comprising receiving at the
2 computer site information representing any sellers unacceptable to the at least one buyer.

1 11. The method as claimed in claim 1 wherein the computer site is a Web
2 site.

1 12. The method as claimed in claim 1 wherein the auction is a reverse
2 auction.

1 13. The method as claimed in claim 1 wherein the auction ends a fixed
2 period of time after the auction begins.

1 14. The method as claimed in claim 1 further comprising receiving at the
2 computer site a command from the at least one buyer to try to end the auction for the at least
3 one buyer wherein a successful seller of the value amount for the at least one buyer can be
4 declared before the preset auction expiration time.

1 15. The method as claimed in claim 1 further comprising receiving at the
2 computer site a command from the at least one buyer to try to end the auction for the at least
3 one buyer wherein a successful seller of the value amount for the at least one buyer can be
4 declared before the end of the auction.

1 16. The method as claimed in claim 1 wherein the successful seller is
2 determined by the buyer's pre-defined conditions.

1 17. The method as claimed in claim 1 wherein the seller with the highest bid
2 for discount rate is the successful seller.

1 18. The method as claimed in claim 1 wherein there is more than one
2 successful seller for a given auction.

1 19. The method as claimed in claim 1 wherein a buyer account is assigned
2 to the registered buyer.

1 20. The method as claimed in claim 19 wherein the buyer account includes
2 various inter-linked sub-accounts.

1 21. The method as claimed in claim 20 wherein the sub-accounts are linked
2 to at least one external account of the registered buyer held by a financial institution.

1 22. The method as claimed in claim 21 wherein the buyer's funds can be
2 transferred between the various sub-accounts and also between the sub-accounts and external
3 accounts held by other financial institutions.

1 23. The method as claimed in claim 22 wherein the registered buyer can
2 transfer funds or reassign buying power amounts to the account of another registered buyer or
3 a registered seller.

1 24. The method as claimed in claim 1 wherein a seller account is assigned
2 to each registered seller.

1 25. The method as claimed in claim 24 wherein the seller account includes
2 various inter-linked sub-accounts.

1 26. The method as claimed in claim 25 wherein the sub-accounts are linked
2 to at least one external account of the at least one seller held by a financial institution.

1 27. The method as claimed in claim 26 wherein the seller's funds can be
2 transferred between the various sub-accounts and also between the sub-accounts and external
3 accounts held by other financial institutions.

1 28. The method as claimed in claim 27 wherein the at least one registered
2 seller can transfer funds or reassign buying power amounts to the account of another registered
3 buyer or a registered seller.

1 29. The method as claimed in claim 1 wherein the step of receiving at least
2 one bid includes receiving a bidding table for at least one seller in which the at least one seller
3 commits to a sequence of bids corresponding to a sequence of value amounts for a given
4 category.

1 30. The method as claimed in claim 1 wherein each of the sellers is pre-
2 approved to sell the specified category of items.

1 31. The method as claimed in claim 1 wherein the auction ends an
2 undetermined period of time after the auction begins.

1 32. A computer site for conducting an online auction of a monetary amount
2 for a specified category of items, the computer site comprising:

3 a set of related documents and associated files; and

4 a server for serving up the set of related documents and associated files to a
5 plurality of I/O devices to provide buyers and sellers with capability to participate in the
6 auction, the server being programmed with application software to:

7 receive at least one bid having a discount rate for the specified category of items
8 being auctioned from a plurality of sellers registered to participate in the auction;

9 receive a commitment to buy undiscounted value amount within the specified
10 category of items at a minimum discount rate from at least one buyer registered to participate
11 in the auction; and

12 declare a successful seller of the value amount for the specified category of
13 items based on a bid from the successful seller or sellers having the greatest discount rate
14 greater than or equal to the minimum discount rate and best meeting the buyer's individual
15 conditions.

1 33. The computer site as claimed in claim 32 wherein a commitment to buy
2 an undiscounted value amount at a minimum discount rate is received from each of a plurality
3 of buyers and wherein the server is further programmed to pool the plurality of buyers to
4 obtain various pooled award amounts and wherein the at least one successful seller is declared
5 his respective pooled award amount for the specified category of items.

1 34. The computer site as claimed in claim 32 wherein the items are products.

1 35. The computer site as claimed in claim 32 wherein the items are services.

1 36. The computer site as claimed in claim 33 wherein the plurality of buyers
2 are independent and/or unrelated.

1 37. The computer site as claimed in claim 33 further comprising receiving
2 at the computer site information representing a minimum award amount or predefined sequence
3 of minimum award amounts corresponding to a predefined sequence of discount bids that each
4 seller is willing to accept from the pooled buyers for a given category.

1 38. The computer site as claimed in claim 33 further comprising receiving
2 at the computer site information representing a maximum award amount that a seller is capable
3 of accepting and willing to accept from the pooled buyers.

1 39. The computer site as claimed in claim 32 wherein the server is further
2 programmed to receive information representing a method of guaranteeing the value amount
3 from the at least one buyer.

1 40. The computer site as claimed in claim 32 wherein at least one seller is
2 pre-approved to sell the specified category of items.

1 41. The computer site as claimed in claim 32 wherein the server is further
2 programmed to receive information representing any sellers unacceptable to the at least one
3 buyer.

1 42. The computer site as claimed in claim 32 wherein the computer site is
2 a Web site.

1 43. The computer site as claimed in claim 32 wherein the auction is a reverse
2 auction.

1 44. The computer site as claimed in claim 32 wherein the auction ends a
2 fixed period of time after the auction begins.

1 45. The computer site as claimed in claim 32 further comprising receiving
2 at the computer site a command from the at least one buyer to try to end the auction for the at
3 least one buyer wherein a successful seller of the value amount for the at least one buyer can
4 be declared before the preset auction expiration time.

1 46. The computer site as claimed in claim 32 wherein the server is further
2 programmed to receive a command from the at least one buyer to try to end the auction for the
3 at least one buyer wherein a successful seller of the value amount for the at least one buyer can
4 be declared before the end of the auction.

1 47. The computer site as claimed in claim 32 wherein the successful seller
2 is determined by the buyer's pre-defined conditions.

1 48. The computer site as claimed in claim 32 wherein the seller with the
2 highest bid for discount rate is the successful seller.

1 49. The computer site as claimed in claim 32 wherein there is more than one
2 successful seller for a given auction.

1 50. The computer site as claimed in claim 32 wherein a buyer account is
2 assigned to the registered buyer.

1 51. The computer site as claimed in claim 50 wherein the buyer account
2 includes various inter-linked sub-accounts.

1 52. The computer site as claimed in claim 51 wherein the sub-accounts are
2 linked to at least one external account of the registered buyer held by a financial institution.

1 53. The computer site as claimed in claim 52 wherein the buyer's funds can
2 be transferred between the various sub-accounts and also between the sub-accounts and
3 external accounts held by other financial institutions.

1 54. The computer site as claimed in claim 53 wherein the registered buyer
2 can transfer funds or reassign buying power amounts to the account of another registered buyer
3 or a registered seller.

1 55. The computer site as claimed in claim 32 wherein a seller account is
2 assigned to each registered seller.

1 56. The computer site as claimed in claim 55 wherein the seller account
2 includes various inter-linked sub-accounts.

1 57. The computer site as claimed in claim 56 wherein the sub-accounts are
2 linked to at least one external account of the at least one seller held by a financial institution.

1 58. The computer site as claimed in claim 57 wherein the seller's funds can
2 be transferred between the various sub-accounts and also between the sub-accounts and
3 external accounts held by other financial institutions.

1 59. The computer site as claimed in claim 58 wherein the at least one
2 registered seller can transfer funds or reassign buying power amounts to the account of another
3 registered buyer or a registered seller.

1 60. The computer site as claimed in claim 32 wherein the server is further
2 programmed to receive a bidding table for at least one seller in which the at least one seller
3 commits to a sequence of bids corresponding to a sequence of value amounts for a given
4 category.

1 61. The computer site as claimed in claim 32 wherein each of the sellers is
2 pre-approved to sell the specified category of items.

1 62. The computer site as claimed in claim 32 wherein the auction ends an
2 undetermined period of time after the auction begins.

1 63. A computer-implemented auction system for negotiating discount credits
2 between sellers offering at least one pre-defined category of goods or service items and buyers
3 wishing to purchase goods or service items selected from said category, comprising:

4 an auction system having an auction engine that presents a first interface for
5 access by buyers in communicating willingness to purchase items selected from a pre-defined
6 category at a negotiated category discount and a second interface for access by sellers in
7 communicating willingness to offer items selected from the pre-defined category;

8 the first interface including a commitment amount field through which each
9 buyer communicates the amount that buyer will commit to spend and a requested discount field
10 through which each buyer communicates the smallest discount that buyer will accept;

11 a data storage associated with the auction engine for storing the identity of
12 buyers who have communicated willingness to purchase items from the pre-defined category,

13 and for storing bid data indicative of the commitment amount and requested discount
14 communicated by each buyer;

15 the auction system further having a compilation system that analyzes the bid data
16 to present information to sellers through the second interface indicative of the aggregate
17 commitment amounts associated with different requested discounts;

18 the second interface having a discount offer field through which each seller
19 communicates the discount that seller is willing to offer;

20 a commitment system having a mechanism for terminating negotiation in
21 response to a pre-defined criterion and for identifying a selected seller that has offered the
22 greatest discount during the negotiation;

23 the commitment system communicating with the auction system to generate a
24 discount record for at least a portion of the buyers identified in the data storage, each discount
25 record including the identity of the buyer and seller, the pre-defined category on which the
26 buyer negotiated and data indicative of the commitment amount and the discount offered by
27 the selected seller.